



7 January 2011

Elizabeth Harris
Australian Securities Exchange

By email: Elizabeth.Harris@ASX.com.au

Dear Elizabeth,

I refer to your letter dated 6 January 2011 concerning the late lodgement of the Appendix 3X for Mr Darren Reeder.

The company regrets the late lodgement of the Appendix 3X and apologies for any unintended consequences that may have resulted from this situation. The company's policy is to always ensure compliance with all ASX and statutory requirements.

With reference to the specific questions raised in your letter we advise the following:

Q1: Why the Appendix 3X was lodged late?

The information in relation to the securities holding of Mr Darren Reeder at the time of his appointment to the Board were known to the company and Mr Reeder had lodged a substantial shareholder notice (Form 604) on the day before his appointment. Due to distraction by other pressing work the Appendix 3X was inadvertently not lodged with ASX with the announcement of his appointment.

Q2: What arrangements does the company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?

At the time of appointment a director is required to sign a letter of agreement setting out the initial, ongoing and final disclosure information requirements in respect of the director's notifiable interests. The letter agreement affirms that the director is to supply the necessary information as soon as reasonably possible after the date of appointment (for initial disclosure) / date of change in notifiable interests (for ongoing disclosure) / date of ceasing to be a director (for final disclosure) and in any event no later than five business days after the date of appointment / change / cessation. This requirement is also stated in the Securities Trading Policy of the Company.

Q3: *If the current arrangements are inadequate or not being enforced, what additional steps does the company intend to take to ensure compliance with listing rule 3.19B?*

The company considers its current arrangements to be adequate. There is routine internal check to ensure compliance with listing rules. The check identified the failure to lodge the Appendix 3X and the Appendix 3X was immediately lodged following that identification. The company will reinforce the double checking of compliance at the time of each announcement.

Yours faithfully,



Patrick Sam Yue
Director



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6 January 2011

Mr Steven Danielson
Company secretary
Gas2Grid Limited
c/- Mitchell and Partners
Level 7 10 Barrack Street
SYDNEY NSW 2000

Dear Steven

Gas2Grid Limited (the "Company")

We refer to the following:

1. The Company's announcement lodged with ASX Ltd ("ASX") on 5 January 2011 regarding an initial director's interest notice for Mr Darren Reeder ("Appendix 3X").
2. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times:
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.The entity must complete an Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.
 - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete an Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
 - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete an Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.
3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.



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4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendix 3X indicates that Mr Peter Woodman was appointed on 7 December 2010. It appears that the Initial Director's Interest Notice should have been lodged with ASX by 14 December 2010. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3X was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to Elizabeth.Harris@ASX.com.au or by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than **4:00PM WST on Monday 10 January 2011**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Elizabeth Harris'.

Elizabeth Harris
Senior Adviser, Issuers (Perth)